

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN that on March 14, 2016, the Governing Board (the “Board”) of the Municipal Building Authority of Iron County, Utah (the “Authority”) adopted a resolution (the “Resolution”) declaring its intention to issue its Lease Revenue Bonds, Series 2016 pursuant to the Utah Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and calling a public hearing to receive input from the public with respect to the issuance of the Bonds.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Authority shall hold a public hearing on Monday, April 11, 2016, at the hour of 10:00 a.m. The location of the public hearing is at 68 South 100 East, Parowan, Utah. The purpose of the meeting is to receive input from the public with respect to (i) the issuance of the Bonds and (ii) any potential economic impact that the improvements, facility or property financed in whole or in part with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING BONDS

The Authority intends to issue the Bonds for the purpose of (i) financing the construction of a public safety services building and related improvements (the “Project”) and (ii) paying issuance expenses to be incurred in connection with the issuance of the Bonds.

PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in the principal amount of not to exceed Three Million Seven Hundred Thousand Dollars (\$3,700,000), to bear interest at a rate not to exceed two and one-half percent (2.50%), mature in not more than twenty-six (26) years from their date or dates, to be sold at a price not less than one hundred percent (100%) of the total principal amount thereof.

OUTSTANDING BONDS SECURED BY LEASE REVENUES

The Issuer has \$1,656,671 of Bonds currently outstanding that are secured by the Lease Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: <http://auditor.utah.gov/accountability/financial-reports-of-local-governments>. For additional information, including any information more recent than as of the date of the Financial Report, please contact the Reed Erickson, County Administrator at (435)477-8300.

TOTAL ESTIMATED COST

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds if held until maturity is \$5,019,600.

The Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as part of said Resolution, the draft of a Master Resolution, (the "Master Resolution"), a Master Lease Agreement (the "Master Lease"), a Leasehold Deed of Trust and Assignment of Rents (the "Deed of Trust") and a Ground Lease Agreement (the "Ground Lease") which were before the Governing Board and attached to the Resolution at the time of the adoption of the Resolution and said Master Resolution, Master Lease, Deed of Trust and Ground Lease, and are to be adopted by the Governing Board in such form and with such changes thereto as shall be approved by the Governing Board upon the adoption thereof; provided that the principal amount, interest rates, maturity, and discount of the Bonds will not exceed the maximums set forth above.

Copies of the Resolution, the Master Resolution, the Master Lease, the Deed of Trust and the Ground Lease are on file in the office of the Secretary of the Authority located at 68 South 100 East, Parowan, Utah, where they may be examined during regular business hours of the Secretary from 8:30 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the last date of publication of this notice.

SECURITY FOR THE SERIES 2016 BONDS

This Series 2016 Bonds are to be issued under and secured by and entitled to the protection of the Master Resolution, pursuant to which all base rentals payable by the County under the Master Lease and, if paid by the County, the Purchase Option Price, are assigned to secure the payment of principal of, interest on, and premium, if any on the Series 2016 Bonds. Additionally, a security interest in the Project shall be granted to the holders of this Series 2016 Bonds pursuant to the Master Lease, to further secure the Authority's obligations under the Master Resolution.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the last date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Master Resolution, Master Lease, Deed of Trust, Ground Lease, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever; and (ii) registered voters within the Authority, may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least twenty percent (20%) of the registered voters of the Authority are filed with the Authority during said thirty (30) day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2016 Bonds. If fewer than twenty percent (20%) of the registered voters of the Authority file a written petition during said thirty (30) day period, the Authority may proceed to issue the Bonds without an election.

DATED this March 14, 2016.

/s/Jon Whittaker
Secretary